PUBLIC WORKS AND SERVICES

1. Department Overview

MISSION

The department of Public Works and Services mission is to deliver quality services to satisfy the needs of its clients, while achieving the best value for government, communities, businesses and residents.

GOALS

1. Safe and reliable facilities are available to support the delivery of government programs.
2. Protection of life and property through enforcing the provisions of electrical, gas, boiler and pressure vessel legislation.
3. Suitable information technology infrastructure and services available to support the delivery of government programs and services.
4. Meet basic community needs for heating, transportation and power generation fuels through the safe and reliable provision of fuel services.
5. Effective management of government records.
6. Support government-wide sustainability and energy efficiency goals through energy conservation programs and activities.

Operating Environment

Digital Information Integrated Management System (DIIMS)
The GNWT's new electronic record and document management solution (DIIMS) was implemented in PWS in 2012-13 as a pilot project with the next phase of implementation to include three new departments starting in 2013-14. While the GNWT-wide implementation of this system remains an Office of the Chief Information Officer initiative, PWS will be responsible for maintaining and supporting the system and coordinating/providing system user training as implementation progresses.

Devolution
In support of the Devolution planning and implementation process, PWS will be called upon to provide a number of essential support issues associated with implementation, particularly in the areas of infrastructure, accommodations, information technology, contracts and records.

Increased Demand for Services and Support in the Sahtu
Given the unprecedented interest in resource development in the Sahtu region related to natural gas and oil exploration, multiple departments are preparing for increased demands to their respective programs and services in Sahtu communities. PWS will be called upon in two ways during this anticipated growth period:

- to inspect and enforce the provisions of electrical, gas, boiler and pressure vessel legislation as new infrastructure is built to accommodate exploration activities and;
- to manage infrastructure and employee office accommodations in support of departmental programs and positions that may be established in the regions.

Financial Shared Services Implementation
The first Financial Shared Services (FSS) centre was implemented in September 2012 in the Beaufort-Delta region, and will act as the pilot and model for all future implementations. The remaining regional and Headquarters (HQ) offices will be implemented using a phased approach through to the end of 2014-15. Future government-wide implementations of FSS will impact the structure of the Department's financial operations and require its support in identifying, securing and fitting up general purpose office space to accommodate the FSS centres.

Procurement Shared Services
GNWT departments continue to be responsible for managing their contracting and procurement activities although only a few of the larger departments contain specialized resources dedicated to the purchasing function. Without a centralized authority, procedures are inconsistent and practices vary from department to department.

In 2012-13, Public Works and Services will work towards establishing a Centre of Excellence with implementation in 2013-14.

Norman Wells and Inuvik Natural Gas
In December 2010, PWS was informed that the Town of Norman Wells received written notice from Imperial Oil that the supply of natural gas will cease to commercial customers as of June 30, 2013. Natural gas supply to residential customers will cease one year later on June 30, 2014.

During the winter of 2010-11, one of the two gas wells that supply the Town of Inuvik was shut down due to water intrusion leaving only one well supplying the Town with no redundancy. Inuvik Gas Ltd. have advised that the estimated life for the remaining high natural gas reserves at the Ikhil field are less than one year. Inuvik Gas Ltd. has taken measures to supply the Town of Inuvik with Synthetic Natural Gas as an interim measure.

Aging Infrastructure

Safe, reliable infrastructure is essential for the delivery of GNWT programs and services and a significant number of the buildings maintained by PWS are 30 years and older. Ongoing investment in the GNWT's aging asset base through the deferred maintenance program is critical to protect the value of the infrastructure; address issues of public safety and to support the delivery of government programs and services in all communities.

KEY ACTIVITY 1 – CORPORATE MANAGEMENT

Description

The Directorate is responsible for overall corporate management of the department, including managing human and financial resources and providing overall direction and planning. These responsibilities include information systems and records management, financial administration, policy and planning, contract and procurement services and regional program delivery which has responsibility for managing the central warehouses, GNWT mail services and disposal of surplus goods.

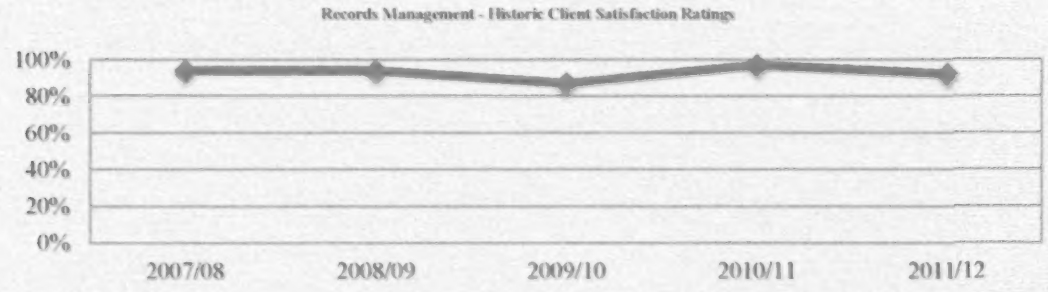
Records management is one of the core business areas that Public Works and Services provides to GNWT departments, boards and agencies. Responsibilities include developing, implementing and supporting government-wide policies, standards and guidelines for records storage and retrievals - including related training, maintaining the Administrative Records Classification System and supporting the new Digital Integrated Information Management System (DIIMS). Records Management also coordinates the operation of five GNWT records centres located in Yellowknife, Inuvik, Fort Smith, Hay River and Fort Simpson.

The role of Contracting and Procurement Services is to provide procurement services to the department along with monitoring and advice with respect to GNWT and PWS policies, procedures and standards related to contracting. This includes contracts for construction, the acquisition of goods and services, architectural/engineering consulting contracts, and the acquisition of real property.

Additionally, the Directorate coordinates department activities that support the 17th Assembly's priorities and department goals, and ensures effective communication within the department, with other GNWT departments, the private sector, special interest groups and with other governments including aboriginal self-governments.

Performance Measures

Overall Client Satisfaction – Records Management
Target: 80% satisfaction



PWS carried out client satisfaction surveys in February and March during the 2011-12 fiscal year. The overall client satisfaction rating for 2011-12 was 92% which is down slightly from the 97% rating achieved in 2010-11.

Records Management Training requests are satisfied
Target: 100% of total

- In 2011-12, 100% of training requests were met with a total of 244 employees being trained.
- 976 GNWT employees have been trained since the 2007-08 fiscal year.

Response to routine records retrievals
Target: 100% are completed within 24 hours

- In 2011-12, 100% of routine records retrievals were completed within 24 hours with a total of 2,389 retrievals being completed.
- Since 2007-08, there have been 13,279 routine records retrievals completed.

Response to urgent records retrievals requests
Target: 100% are completed within 2 hours

- In 2011-12, 100% of urgent records retrievals were completed within 2 hours.

Other Initiatives

Procurement Shared Services Centre
Implementation of the Centre of Excellence established during 2012-13 will be a priority in 2013-14 as the first step in developing a fully operational GNWT Procurement Shared Services model. The Centre of Excellence will capitalize on the expertise residing in the department and those dedicated resources now present in departments.

Financial Shared Services
The Department of Finance implemented Financial Shared Services (FSS) in the Beaufort Delta in September 2012. That implementation is the FSS pilot project and will serve as the model used for implementation in the remaining regions and Headquarters. In 2013-14, PWS will be engaged with the Department of Finance working towards implementation of the next phase of FSS.

Digital Information Integrated Management System (DIIMS)
PWS will be working with the Office of the Chief Information Officer (OCIO) on the next phase of implementation starting in 2013-14. The project will remain an OCIO owned and managed project until implementation government-wide is complete but PWS will be responsible for maintaining and supporting the system, and providing system user training as implementation progresses. The capacity for PWS to proceed with the next phase of implementation in 2013-14 is fully dependent on the department's success in staffing the two IS positions approved to support the system.

Annual Performance Measurement
The PWS performance measurement system annually measures progress towards achieving departmental goals. The system is used to monitor programs and service levels, and also to identify where changes to service levels may be required. The results are summarized in annual Performance Measurement Summary Report.

To ensure that PWS services continue to meet client needs, the Department annually meets with its clients to complete client satisfaction surveys. The surveys focus on quality of service, timeliness, communications and overall performance.

Department Human Resources Plan

As part of the Department of Human Resources (HR) strategic plan, PWS was tasked with completing a HR Plan. Building on the information gathered through HR's annual GNWT Employee Engagement & Satisfaction Survey, PWS completed a draft HR plan and action plan for the department in 2012-13.

Implementing action plan items, and establishing HR performance reporting measures, will be part of the department's 2013-14 human resource plan activities.

KEY ACTIVITY 2 – ASSET MANAGEMENT

Description

The Asset Management activity includes the planning, design, construction, and operation and maintenance of buildings and works throughout the Northwest Territories on behalf of the GNWT. Regional offices manage the delivery of maintenance and project management services, ensuring that client needs are met and facility life cycle costs are minimized. Headquarters supports the regions by providing facility planning, technical expertise for program and design standards, facility evaluations and commissioning, granular materials planning and coordination, project management support, and technical support for safe drinking water initiatives

Asset Management coordinates the government's capital planning process, the planning, acquisition and management of general purpose office space and leases, and manages the disposal of surplus GNWT real property assets.

The Asset Management activity supports public safety through the enforcement of codes and standards set by government legislation covering electrical, elevator, boiler and pressure vessel and gas installations.

The Risk Management and Safety Program manages the Deferred Maintenance Initiative. This initiative is focused on assessing the condition of key GNWT building infrastructure and identifying and undertaking remedial work to ensure that buildings continue to be safe for occupancy, and to ensure that critical deferred maintenance items are addressed to maximize the useful life of these assets.

Through its maintenance activities, PWS plays a large role in helping achieve GNWT-wide energy efficiency and sustainability goals. This includes helping the GNWT reduce its energy costs, its dependency on fuel oil and its greenhouse gas emissions. For existing government facilities, PWS undertakes the following energy management activities:

- Energy consumption analysis and benchmarking,
- detailed energy audits, and
- inspection of electrical and mechanical systems are part of the energy management for existing facilities.

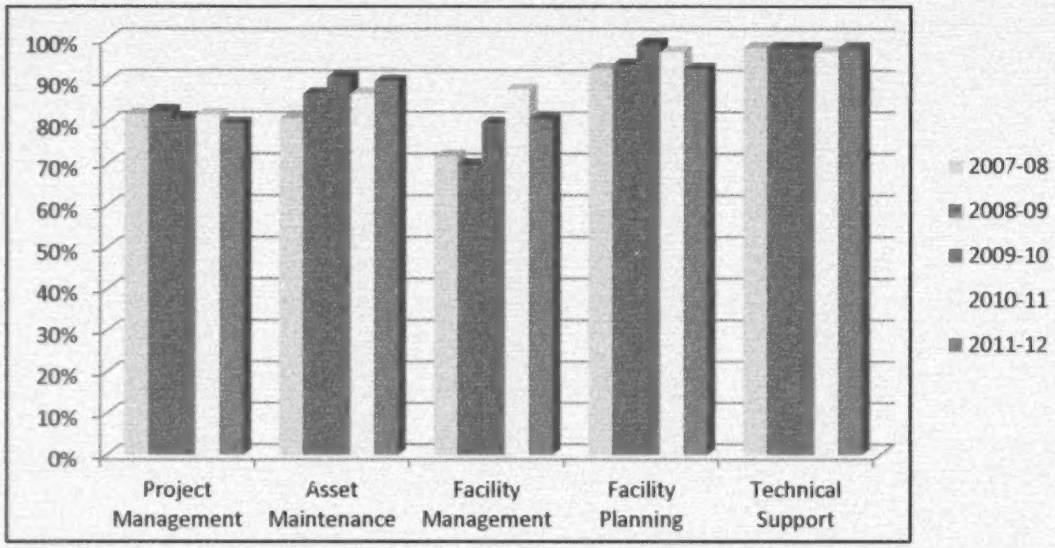
For new government facilities, PWS adheres to the EcoEnergy Validation Program Protocol to maximize energy conservation and savings up front prior to construction. Additionally, all new GNWT facilities are to follow the department's guidelines for Good Building Practice for Northern Facilities, which it created and maintains, in order to ensure energy conservation and sustainability.

Performance Measures

Client Satisfaction Surveys in the areas of project management, asset maintenance, facility

management, facility planning and technical support services.
Target: 80% satisfaction

Historic Client Satisfaction Ratings by Program



Deferred Maintenance:
Target: 100% of identified life safety deferred maintenance issues addresses through deferred maintenance funding

- In 2011-12, 98% of life safety deferred maintenance issues were addressed through approved program funding. There was $10 million in currently critical life safety issues identified at the start of the 2011-12 fiscal year with $9,8 million being spent correcting these issues to year-end. This translated to 98 percent of life safety issues being addressed during 2011-12 through deferred maintenance funding.

Asset Maintenance:
Target: 100% of code mandated Preventative Maintenance work completed

- In 2011-12, there were 13,488 code mandated Preventative Maintenance work orders generated by the department. Of that total, 12,602 were completed which equates to 93%. This is down slightly from 2010-11 due to a combination of staff vacancies and availability of contractors in remote locations. On-going recruitment and employee training is helping to mitigate the impact over the year.

Property Management:
Target: 90% of accommodations meet GNWT standards and criteria
- In 2011-12, 95% of office space utilized meets the standard. The total amount of space that is managed by PWS is as follows:

- 45,200 square metres of leased space
- 19,100 square metres of owned space

Other Initiatives

Deferred Maintenance Program

Deferred maintenance is the practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels, or realign available budget monies. The failure to perform needed repairs could lead to asset deterioration and ultimately asset impairment. Generally, a policy of continued deferred maintenance may result in higher costs, asset failure, and in some cases, health and safety implications.

The Department of Public Works and Services' Risk Management and Safety Program established there was over $470 million in deferred maintenance associated with aging GNWT infrastructure that posed potential safety risks to employees and the public.

In coordination with the capital planning process and other program funding, the Deferred Maintenance program has addressed $145 million in deferred maintenance issues through the following initiatives:

$34.0 million - Direct program expenditures

$41.7 million - Projected reduction resulting from surplus and demolition of building assets which have been replaced or are no longer required to support GNWT programs and services

$49.5 million - Projected reduction resulting from integration and prioritizing deferred maintenance in the GNWT's Corporate Capital Planning process for major and minor capital projects

$19.8 million - Projected reduction resulting from the consolidation of maintenance and leveraging of deferred maintenance funding with regular O&M funding and Capital Asset Retrofit Funding programs

$145.0 million - Total reduction to overall maintenance deficit for GNWT buildings

For 2013-14, the Deferred Maintenance Program will continue to address deferred maintenance issues primarily consisting of structural deficiencies, building code issues related primarily to 'life and safety', end of life of existing building components, roof and exterior envelope failures and issues related to building and fire codes.

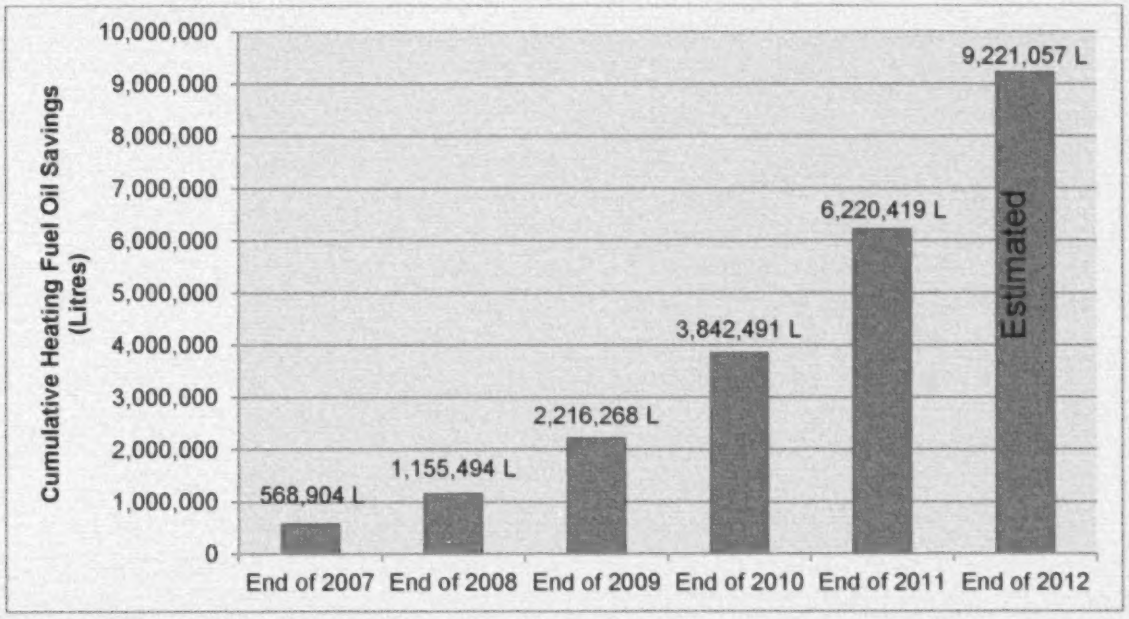
The GNWT's building infrastructure continues to age at a rate that exceeds our ability to replace or rehabilitate through the annual Infrastructure Acquisition Plan. Continued investment in addressing issues associated with ageing infrastructure is required to mitigate the potential for impact of deferred maintenance on the delivery of GNWT programs and services.

Capital Asset Retrofit Fund (CARF)

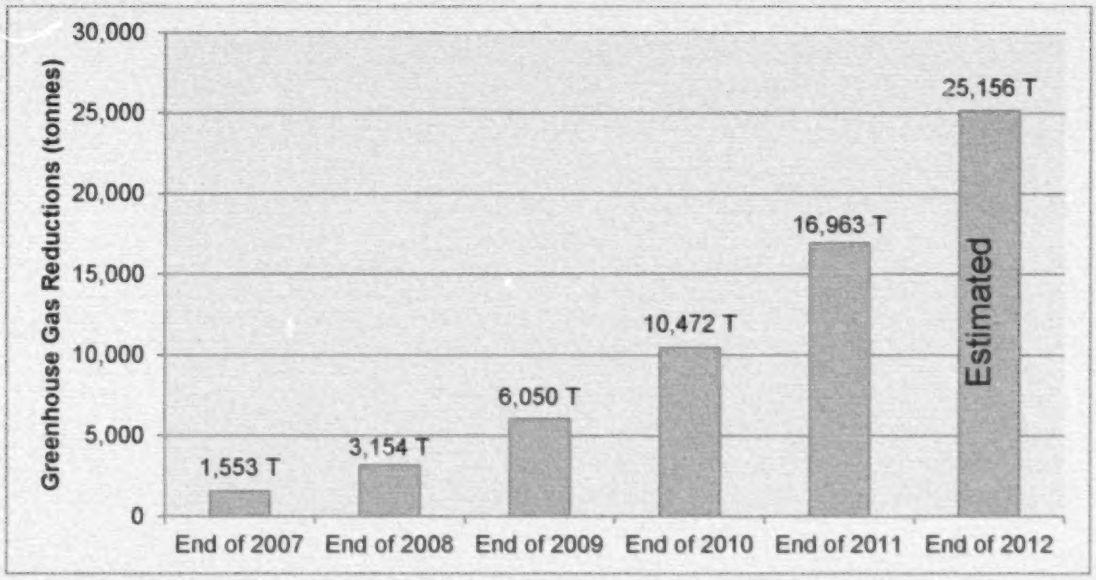
The Capital Asset Retrofit Fund, or the CARF program, is one of the PWS managed energy conservation programs. It focuses on reducing building operating costs and greenhouse gas emissions by assessing government facilities to identify those best suited for energy saving retrofits and upgrades, and prioritize program funding to undertake the required energy conservation projects.

The total annual utility costs savings achieved in 2010-11 from these investments were $654,000, and those funds were re-profiled to capital for 2012-13 as the first step in making CARF a self-funded program. The energy projects undertaken in 2011-12 such as retrofits, and biomass and electric heat projects saved approximately $1.2 million in operating costs. Through these energy projects, real savings of over $1.8 million have been achieved in the last two fiscal years. The projects have saved a cumulative total of 6,220,419 litres of fuel oil and reduced 16,963 tonnes of greenhouse gas emissions since 2007.

The following charts illustrate the cumulative and projected reductions of heating fuel oil and greenhouse gas emissions from all energy conservation projects/initiatives managed by PWS since beginning its energy savings initiatives in 2007:



Heating Oil Displaced – Cumulative Total (Litres) - Biomass Heating, Electric Heat Conversion, Energy Retrofits and Miscellaneous Waste Heat Recovery Projects

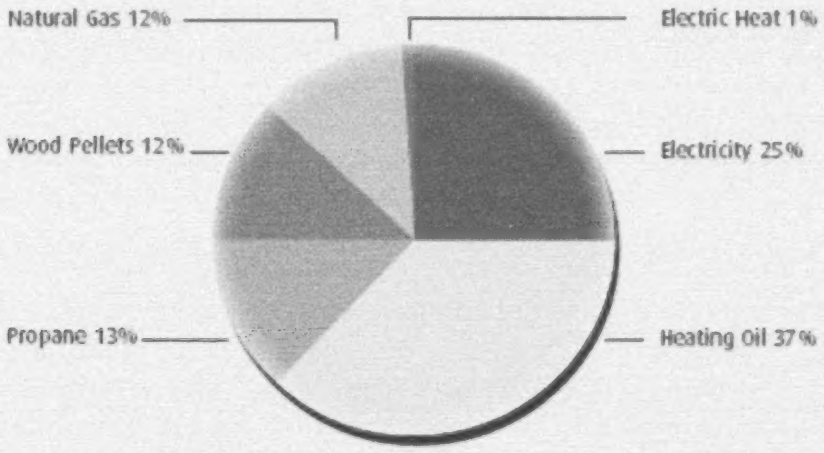


Reduction in Greenhouse Gas Emissions – Cumulative Total (Tonnes) - Biomass Heating, Electric Heat Conversion, Energy Retrofits and Miscellaneous Waste Heat Recovery Projects

Activities planned for 2013-14 and beyond include:

- Undertake the 2013-14 energy retrofit projects planned under CARF and the Energy Priorities Investment (EPI) Plan programs.
- Complete infrared thermal scanning and detailed energy audits on buildings best suited for energy-saving retrofits and incorporate the results into future CARF workplans.
- Monitor the performance of all CARF and EPI projects completed in 12/13 which will include the electric boiler installation at the Northern Lights Special Care Facility in Fort Smith and the wood pellet boiler installation at Deh Gah School in Fort Providence.
- Benchmarking 2012/13 utility consumption data from GNWT-owned office buildings, schools and health centres throughout the NWT and pre-screen to select inefficient buildings for future energy audits and upgrades.
- Continue to analyze the feasibility of installing wood pellet boiler systems in GNWT-owned facilities throughout the NWT as an effective and efficient means to reduce operating costs and greenhouse gas emissions.
- Prepare the annual PWS energy conservation report for the 2012-13 year outlining actual operational savings, heating fuel oil displaced and greenhouse gas emission reductions.

In 2011-12, GNWT assets managed by PWS consumed the equivalent of 157,172 Megawatt Hours (MWH) for heating and power. The following chart illustrates the percentage breakdown by utility type consumed in 2011-12:



To help the GNWT reach the goals set in the 2007 Energy Plan and 2011 NWT Greenhouse Gas Strategy in 2013-14, PWS activities will continue to focus on reducing energy consumption and promote the use of biomass heating and other alternative energy sources over heating fuel oil as means to reduce operational costs and greenhouse gas emissions.

Plan, Design and Build Energy-Efficient Buildings

The design and construction of the new Health Centre in Hay River, and the new Health Centre and Long Term Care Facility in Norman Wells will be to the "Good Building Practice (GBP) for Northern Facilities" standard and above National Energy Code for Buildings (NECB) 2011 levels.

Buildings designed and constructed to "Good Building Practice for Northern Facilities" will result in energy consumption at least 25% better than that of buildings built to the 1997 Model National Energy Code (MNECB) and at least 10% better than the 2011 National Energy Code.

PWS will continue to participate in the National Energy Code development process with one representative on the 2015 National Energy Code Committee and associated task groups, and continue to update the "Good Building Practice for Northern Facilities" to keep it current with regard to technology and energy-efficiency.

Transfer of Health and Social Services Leases

Health and Social Service (HSS) and Public Works and Services (PWS) have agreed that the lease administration expertise resides in PWS and the GNWT is benefiting through the economies of scale in real estate and property management expertise. Transferring the budgets

will give PWS the authority and responsibility it needs to be as efficient and economical as possible in the management of its lease portfolio. There are 26 leases being transferred to PWS from HSS. Currently, PWS has 56 general office space leases across the NWT so the additional 26 leases represent a 46% increase in the volume of leases administered by the department.

PWS doesn't have the capacity to manage the additional workload associated with this transfer and has been approved for a Property Administrator position located in Hay River to administer the transferred leases. Lease funding and responsibility has been transferred to PWS effective April 1, 2013.

New GNWT Office Building

The department is moving forward with the construction of the new GNWT Office Building located adjacent to the Stuart M. Hodgson building. The building will be designed to exceed NECB requirements and will meet the requirements of the Good Building Practices for Northern Facilities. This will be accomplished by incorporating a biomass heating system, high efficiency plumbing fixtures, heat recovery ventilation systems, direct digital controls (DDC) and energy efficient lighting systems in the facility design and construction.

The biomass system will also connect to the Stuart Hodgson Building and Laing Building and it is estimated to displace approximately 274,500 litres of heating oil and reduce greenhouse gas emissions by 785 tonnes annually.

Sir Alexander Mackenzie School Demolition

The Samuel Hearne Secondary and Sir Alexander Mackenzie schools in Inuvik have been replaced by the new school and both buildings have been declared surplus to the needs of the GNWT by ECE. Both buildings are scheduled for demolition with completion of the new school. PWS is undertaking the demolition of Samuel Hearne Secondary School in 2012-13 while demolition of Sir Alexander Mackenzie School will be completed in 2013-14.

Norman Wells and Inuvik Natural Gas

With the supply of natural gas in Norman Wells scheduled to cease to commercial customers in June 2013, followed by the supply to residential customers in June 2014, PWS has completed converting the majority of GNWT public infrastructure to heating oil and there is a plan in place to complete the conversion of the one remaining building by the summer of 2013.

PWS will continue to provide technical advice to the Town of Norman Wells on matters related to the regulation of natural gas or the conversion of public infrastructure to alternative energy sources.

PWS will continue to explore opportunities in Norman Wells to develop alternate energy solutions such as biomass for GNWT public infrastructure.

With one of the two gas wells supplying the Town of Inuvik shut down due to water intrusion with no redundancy, the estimated natural gas reserves at the Ikhil field are less than one year. Inuvik Gas Ltd. has taken measures to supply the Town of Inuvik with Synthetic Natural Gas as an interim measure.

PWS will continue to lead the interdepartmental working group with the Town of Inuvik and Inuvik Gas Ltd. to develop a new long term energy supply for the community.

PWS will continue to explore opportunities in Inuvik to develop alternate energy solutions such as biomass for GNWT public infrastructure.

KEY ACTIVITY 3 – TECHNOLOGY SERVICE CENTRE

Description

The Technology Service Centre division (TSC) provides Information Technology (IT) services and support to GNWT departments and the Deh Cho and Sahtu Health Authorities. It is responsible for the government network, the electronic lifeline interconnecting government offices, schools and health care facilities in all 33 communities that makes electronic communication, on-line access to vital government systems and the Internet possible. In addition, it maintains the government's e-mail system, servers and data storage infrastructure used in the delivery of critical government programs as well as providing desktop/laptop support and website hosting.

The TSC manages the government's primary GNWT Data Centre in Yellowknife which provides a reliable and secure environment for maintaining the IT infrastructure used in delivering the GNWT's corporate information systems like PeopleSoft HR and SAM. The Data Centre maintained in the Stuart M. Hodgson Building provides secondary/backup site functions and there are two smaller data centres maintained in Fort Smith and Inuvik.

All employee calls for assistance are handled through the Service or Help Desk function. The Help Desk is an information and assistance resource that troubleshoots employee problems with computers, software, corporate systems and network connectivity. The information gained through these interactions in resolving technical problems, identifying user preferences and gauging employee satisfaction are valuable and essential to helping the TSC enhance the services and support through ongoing quality and process improvement.

Performance Measures

Measure 1 - Computing and Data Communications

Target: 80% satisfaction

The TSC carried out client satisfaction surveys in February and March. The overall client satisfaction rating for 2011-12 was 85% which remains consistent with the 2010-11 rating of

85%. In total, 872 clients responded to the survey which is 19% of all 4,400 network clients served by the TSC.

Measure 2 - Desktop Support Services

Number of Service Desk Calls answered within 30 seconds
Target: 90% of total

- In 2011-12, 81% of calls were answered within 30 seconds which is slightly less than the 84% achieved in 2010-11. In total 21,453 calls were handled by the TSC Help Desk. Since 2010-11, Help Desk calls are tracked and reported for all three support functions in the TSC (Helpdesk Technicians, Workplace Support Technicians and Infrastructure Services). Prior to 2010-11, only the calls received by the Helpdesk Technicians were reported.

Number of Service Desk Calls resolved without sending a TSC technician
Target: 65% of total

- In 2011-12, 73% of calls were resolved without sending a TSC technician which is a significant increase over the 65% achieved in 2010-11 and marks the third consecutive year of improvement in this area. In total 21,453 calls were handled by the TSC Help Desk.

Number of Service Desk Calls followed up for quality control
Target: 1000 calls followed up

- In 2011-12, 1,090 calls were followed up for quality control, up slightly from the 1,018 calls followed up in 2010-11.

Prime time availability of file and printer servers
Target: 99.9% during prime time

- In 2011-12, file and printer servers were available in excess of 99.9 % during prime time.

Measure 3 – Computing and Data Communications

Number of Major Security Incidents associated with TSC managed infrastructure
Target: zero security incidents/year

- In 2011-12 there were no major security incidents.

Other Initiatives

Provide IS and IT Support to Stanton Territorial Health Authority
The TSC is working with Health and Social Services and the Stanton Territorial Health Authority in planning to undertake responsibility for desktop and local area networking support of the Stanton Territorial Health Authority in 2013-14.

Greening Initiatives
As part of its IT evergreening process, which includes the infrastructure maintained in GNWT Data Centres and computers in use throughout GNWT departments, the TSC - wherever possible - acquires computing technologies that minimize the use of hazardous materials, maximize

energy efficiency, and promote the recycling and biodegrading of defunct products.

As computers become surplus to GNWT needs as part of routine evergreening procedures, they are first offered to non-governmental organizations before unused surplus is transported to Yellowknife and then to southern Canada to specialized recycling facilities. PWS has installed sea cans at regional warehouses to ensure that surplus computer and IT equipment is captured and stored for future recycling.

Continual Service Improvement

- The TSC is continuing to plan its strategy to migrate from Internet Protocol version 4 (IPv4) to Internet Protocol version 6 (IPV6).
- In conjunction with the Office of the Chief Operating Officer, the TSC is reviewing the government's telecommunications requirements in part to identify emerging technology opportunities.
- New technology development in data storage will be leveraged by the TSC to provide more cost-effective solutions for departments with large volumes of archived data e.g. GIS

GNWT Security Strategy Implementation

The TSC was previously approved for two positions to support implementation of the GNWT's Security Strategy. After further analysis of these positions the TSC and Office of the Chief Information Officer (OCIO) feel these positions are better positioned under the OCIO in the Department of Finance. These positions require broader security knowledge in all areas with a scope of responsibility exceeding the IT environment managed by the TSC. PWS will work with the OCIO to facilitate the transfer in 2013-14.

Enterprise Network Strategy (ENS)

The GNWT's five year Enterprise Network Strategy concluded in 2012-13. The strategy has led to many network improvements which included a major upgrade to the Digital Communications Network (DCN). This provided an overall increase in bandwidth and speed, traffic prioritization capability, separate Internet routing for schools and Aurora College, and a dedicated link to the south for medical digital imaging data. Work has commenced to start developing a new network strategy for implementation in 2013-14.

KEY ACTIVITY 4 - PETROLEUM PRODUCTS DIVISION

The Petroleum Products Division (PPD) manages the purchase, transport, and storage of petroleum products in NWT communities that are not served by the private sector. The products are sold to residents of the 16 communities through local contractors who are paid a commission. PPD also provides fuel delivery and maintenance services to NWT Power Corporation tank farm facilities in 20 communities.

PPD financial and administrative headquarters, with responsibilities for credit, invoicing, collections and financial planning, are located in Fort Simpson. The Fuel services group oversees operations in the communities and manages local delivery contractors, determines re-supply quantities, provides quality control, capital standards and planning as well as environmental management.

The PWS Asset Maintenance group within PPD manages the operations, maintenance and disposal of GNWT goods and buildings throughout the Nahendeh Region, and when requested supports community governments in the management of their infrastructure responsibilities.

Performance Measures

Measure 1- Number of incidents of fuel rationing
Target: Zero Incidents

- There were no incidents in 2011-12.

Measure 2- Number of incidents of fuel run-out
Target: Zero Incidents

- There were no incidents in 2011-12. Where deliveries are observed to be missed or fuel volumes in customer tanks are estimated to be reaching unacceptably low levels, contractors are contacted directly by PPD.

Measure 3- Administration and overhead costs as a percentage of gross expenditures
Target: Less than 15% of gross expenditures

- Administration and overhead costs were 11% in 2011-12 which is the same percentage experienced in 2010/11. Two expenditure components, the purchase price and transport of fuel, and commissions paid to local delivery contractors have historically accounted for at least 75 percent of PPD's annual budget. Increased revenues associated with the provision of fuel services to NTPC under the Fuel Management Services Agreement have caused these expenditure components to increase to greater than 85 percent of PPD's annual budget.

Measure 4 - Number of litres of fuel spilled as a percentage of annual sales volume
Target: All spills combined total less than 0.01% of annual sales volume

- In 2011/12 there was one fuel spill occurrence resulting in 21,053 litres of gasoline being lost. The amount spilled represents 0.08% of the 2011-12 annual sales volume so the

measure of less than 0.01% of annual sales volume was not met. PPD sold 25,695,051 litres of fuel in 2011-12.

Other Initiatives

Petroleum Products Management Information System
To reduce administrative costs and increase inventory accuracy and control, PPD will continue to refine its fuel management information system. The installation of "point-of-sale" devices for sales data collection in communities will complement the system to provide improved loss control and enhanced security of government assets and protection of the environment. PPD has contracted a review of fuel sales data collection software and hardware to determine the technical improvements and upgrades that would be most beneficial to implement during 2013/14.

Fuel Delivery and Maintenance Services - Northwest Territories Power Corporation
PPD has a ten-year agreement (2005-2015) to provide fuel supply and maintenance services for twenty NTPC fuel storage facilities. PPD uses the bulk fuel storage capacity of the GNWT and NTPC facilities to combine and manage inventory to the advantage of both organizations and their customers. This consolidation of volume has had a positive impact on the operating levies charged to PPD customers. A 50% overall increase in NTPC consumption starting in 2012 is expected to continue for the near future placing additional demands on PPD operational resources.

Community Fuel Delivery Contractor Support and Training
PPD will continue providing a comprehensive multi-year contractor training program focusing on the best health, safety and environmental practices in fuel dispensing and distribution, as well as best business practices associated with inventory and financial management and enhanced customer service. This new program was first delivered to PPD fuel service contractors in all communities during 2011 and 2012 and is improving the fuel delivery services provided communities. Training will continue to be provided through 2013/14 and as required in future.

Aviation Fuel Program Contractor Support and Training
To provide optimal fuel service to the aviation industry at a reasonable cost, PPD has reviewed their aviation fuel facilities, policies, and procedures. Aviation fuel services is being provided in accordance with industry best practices and quality control, to ensure the reliable and safe storage and dispensing of the highest quality aviation fuel to the aircraft serving our remote communities. Aviation fuel service operations manuals were developed and community-specific training was delivered to all aviation fuel service contractors during 2011 and 2012. Training will continue to be provided through 2013/14 and as required in future.

Environmental Assessment and Remediation Projects

In 2013- 14, PWS is proposing to undertake the following environmental site assessments and/or environmental remediation projects on its fuel storage facilities.

- Fort Good Hope – site remediation at the marine resupply pipeline. (pending approval by

the GNWT Environmental Remediation Committee .

- Whati – site remediation at the tank farm site. (pending approval by the GNWT Environmental Remediation Committee).
- Tulita – remove the manifold and associated piping from the refuelling right-of-way for the barge as part of the tank farm capacity increase project. Will require a Phase III ESA/remediation before reserve area can be returned back to community.
- Trout Lake - complete remediation at the tank farm site. This work will be ongoing from 2012/13 as required.
- Deline - monitor then decommission the PWS holding cell containing contaminated soil and remediate the site.

2. Responding to Priorities

Build a Strong and Sustainable Future for our Territory

Description

Negotiating and implementing a devolution final agreement.

Major Program and Service Initiatives Planned for 2013-14

- PWS is the lead of the Property, Assets, Records, Contracts and Information Technology Committee for Devolution.
- The next phase of implementation for the government's new Digital Integrated Information Management System (DIIMS) will include departments actively engaged in the Devolution process. The implementation of DIIMS will help position and prepare those departments to accept and manage the significant volume of electronic records anticipated for transfer through Devolution.

Description

Working with our partners to ensure responsible stewardship through our land and resources management regime.

Major Program and Service Initiatives Planned for 2013-14)

- PWS is a member of the GNWT's Environmental Remediation Committee which monitors the contaminated sites where the GNWT has ownership or responsibility for the assessment and restoration, and ensuring present and future risks are mitigated and there is consistent and coordinated effort in addressing the government's liabilities for contaminated sites.
- PWS will continue to undertake environmental site assessments of its bulk duel storage facilities and other assets under its jurisdiction and will manage the required remediation projects where the GNWT has confirmed responsibility.
- PWS is a member of the GNWT's Green Advisory Team that provides advice on environmental stewardship and energy efficiency initiatives with respect to government operations
- PWS routinely recycles IT equipment like computers to NGOs and specialized recycling facilities in southern Canada. In support of these efforts, the department installed sea cans at its regional warehouse facilities to better manage surplus IT equipment in preparation for transportation to southern recycling facilities.
- In support of water quality and protection initiatives, PWS will lead or participate in the following activities.

- Member of the Steering Committee on Source Water Protection Planning, and a member of the Federal-Provincial/Territorial Sub-committee for review of the Guidelines for Canadian Drinking Water Quality.
- Working with MACA, will provide technical support to the ten communities (Ft Providence, Ft. Resolution, WhaTi, Gameti, Wekweti, Tulita, Colville Lake, Paulatuk, Sachs Harbour and Fort McPherson) to operate and maintain the remote monitoring systems.
- Will complete water supply infrastructure reviews for Nahanni Butte, Ft. Resolution, Sachs Harbour, and Tsiigehtchic water supply systems.
- Provide on-site training, as part of the MACA circuit rider training program, to water treatment plant operators.
- Provide technical support for the construction of water treatment plants in Fort Good Hope and Wrigley and continue to provide technical assistance to community governments in water and sewer related projects
- Work with MACA and other departments to ensure quality water management systems and processes are in place in communities

- In support of reducing the impact of Climate Change on northern Infrastructure, PWS will lead or participate in the following activities.
  - Member of Northern Infrastructure Standardization Initiative (NISI) committee. NISI aims to help northern communities manage climate change and infrastructure-related risks through the provision of northern-specific codes, standards and related instruments relating to infrastructure design, planning and management.
  - Member of the Public Infrastructure Engineering Vulnerability Committee (PIEVC). Started in 2005, this committee looks broadly at infrastructure vulnerability to climate change impacts from an engineering perspective. This committee consists of senior representatives from federal, provincial, territorial and municipal levels of governments in Canada along with several non-government organizations. One of the key objectives of PIEVC is to identify new engineering codes and standards to address climate change.
  - Supporting of research into climate change trending and temperature predictions in the Western Arctic.
  - Updating of "Good Building Practice for Northern Facilities" as required ensuring the infrastructure is designed and maintained to withstand climate change in future.
  - Undertake projects on existing buildings to protect them from climate change effects and focus on reducing the GNWT's reliance on fossil fuels through the use of alternative energy sources.

INCREASE EMPLOYMENT OPPORTUNITIES WHERE THEY ARE NEEDED THE MOST

Description

Reduce dependency on government by encouraging people who are able to enter or remain in the workforce.

Major Program and Service Initiatives Planned for 2013-14

- The Department uses a combination of local and regionally contracted services to assist in completing its ongoing preventative and deferred maintenance programs. In addition, the Department has twelve indeterminate Settlement Maintainer positions along with eleven apprentice positions in communities across the NWT. These front-line positions enable the Department to better manage maintenance activities and availability of resources at the community level, while promoting and strengthening our local northern workforce.
- The Petroleum Products Division operates in 16 communities using local fuel delivery contractors to deliver these services. Training is offered to contractors as part of this activity.
- Decentralized activities in Public Works and Services
  - Of the 276 total positions approved for PWS in 2012-13, 158 positions or 57 percent of the Department's positions are located outside of Headquarters.
  - Of 154 positions in 2012-13 identified under the Asset Management Activity, 113 or 73 percent are located outside of Headquarters.
  - A new Property Administer position has been approved for Hay River to support the leases transferred to PWS from H&SS.

STRENGTHEN AND DIVERSIFY OUR ECONOMY

Description

Make strategic infrastructure investments such as the Inuvik-Tuktoyaktuk highway

Major Program and Service Initiatives Planned for 2013-14

- Access to granular sources is key to economic development like the Inuvik-Tuktoyaktuk highway; PWS works with the NWT Housing Corporation and the departments of Transportation and Municipal and Community Affairs to help coordinate the acquisition and transportation of granular materials as a member of the Interdepartmental Granular and Environmental Remediation Committee (IGERC).

Description

Make strategic infrastructure investments such as the Mackenzie Gas Pipeline project.

Major Program and Service Initiatives Planned for 2013-14

- Through its participation on IGERC, PWS helped identify 74 granular borrow sites required for the construction of the MGP project. PWS continues to monitor these sites as part of its committee responsibilities.

Description

Make strategic infrastructure investments such as the Mackenzie Fiberoptic Link.

Major Program and Service Initiatives Planned for 2013-14

- The department's Technology Service Centre continues to work closely with the Office of the Chief Information Officer to advance this 17th Assembly priority.

ENSURE A FAIR AND SUSTAINABLE HEALTH CARE SYSTEM

Description

Using existing infrastructure.

Major Program and Service Initiatives Planned for 2013-14

- PWS has begun work to plan the retrofit of the Stanton Territorial Hospital. In 2013-14 it is expected that the schematic planning study and class 'C' cost estimate will be completed and ready for review by Health and Social Services, and then presented to the Peer Review Committee.

- PWS completed an upgrade to its Digital Communications Network that included boosting the network's capacity to prioritize health related traffic, and run more sophisticated network based applications aimed at improving health care service across the territory.

Description

Help address our health facilities deficit.

Major Program and Service Initiatives Planned for 2013-14

- The department continues to work with Health and Social Services to advance their priority projects including:
  - Hay River Health Centre,
  - Norman Wells Health Care Centre and Long Term Care Facility
  - Behchoko Long-Term Care Facility, and
  - Fort Providence Health Centre
  - Advising DHSS on network capacity and growth options to assist with meeting long term Electronic Medical Records goals

3. Resource Summary

Departmental Summary

(thousands of dollars)

	Proposed 2013-14 Main Estimates	2012-13 Revised Estimates	2012-13 Main Estimates	2011-12 Actuals
OPERATIONS EXPENSE				
Directorate	8,011	7,958	7,958	7,507
Asset Management	93,220	82,229	82,229	82,923
Technology Service Centre	1,282	1,361	1,361	1,183
Petroleum Products	1,894	2,134	2,134	1,413
TOTAL OPERATIONS EXPENSE	**104,407**	**93,682**	**93,682**	**93,026**
REVENUES	**1,804**	**1,804**	**1,804**	**1,916**

Human Resource Summary

	Proposed 2013-14	2012-13	2011-12	2010-11
Total Number of Positions	275	276	273	272

Appendix I – Financial Information

Operations Expense Summary

	2012-13 Main Estimates	PROPOSED ADJUSTMENTS (000's) FG Collective Bargaining/ Northern Allowance	Forced Growth	New Initiatives	Sunsets and Other Approved Adjustments	Internal Reallocation of Resources	2013-14 Business Plans
Directorate							
Department Management	**555**						**555**
Finance	**1,078**						**1,078**
Policy and Planning	**493**						**493**
Information Services	**2,043**		153		(6)		**2,190**
Regional Program Delivery	**3,789**				(94)		**3,695**
Amortization	**0**						**0**
Total Directorate	**7,958**	**0**	**153**	**0**	(100)	**0**	**8,011**
Asset Management							
Division Management	**1,015**						**1,015**
Infrastructure Management	**569**						**569**
Contract and Procurement Services	**632**						**632**
Facility Planning	**615**						**615**
Technical Support	**1,544**						**1,544**
Inspection Services	**1,355**						**1,355**
Property Management	**1,510**						**1,510**
Leases	**19,539**		895		3,937		**24,371**
Buildings and Works	**20,401**		1,658		3,853		**25,912**
Vehicles and Equipment	**392**						**392**
Utilities	**27,010**		1,576		(563)		**28,023**
Regional Projects	**2,820**				(124)		**2,696**
Facility Risk Management & Safety	**3,250**						**3,250**
Amortization	**1,577**						**1,336**
Total Asset Management	**82,229**	**0**	**4,129**	**0**	**7,103**	**0**	**93,220**
Technology Service Centre							
Amortization	**1,361**						**1,282**
Total Technology Service Centre	**1,361**	**0**	**0**	**0**	**0**	**0**	**1,282**
Petroleum Products							
Amortization	**2,134**						**1,894**
Total Petroleum Products	**2,134**	**0**	**0**	**0**	**0**	**0**	**1,894**
TOTAL DEPARTMENT	**93,682**	**0**	**4,282**	**0**	**7,003**	**0**	**104,407**

Explanation of Proposed Adjustments to Operations Expense

Activity / Task	Explanation of Proposed Adjustment	FG Collective Bargaining/ Northern Allowance	Forced Growth	New Initiatives	Sunsets and Other Approved Adjustments	Internal Reallocation of Resources
Directorate						
Information Services	Electronic Records and Data Management Software Maintenance Support	0	153	0	(6)	0
		0	153	0	(6)	0
Regional Program Delivery	Implementation of Financial Shared Services				(94)	
		0	0	0	(94)	0
Total Directorate		**0**	**153**	**0**	(100)	**0**
Asset Management						
Leases	Transfer of leases from HSS to PWS	0	450	0	3,937	0
	Office Accommodation Lease Costs	0	445	0	0	0
		0	895	0	3,937	0
Buildings & Works	Asset Inventory Adjustments	0	1,658	0	(1,067)	0
	Sir Alexander Mackenzie School Demolition	0	0	0	4,920	
		0	1,658	0	3,853	0
Utilities	Asset Inventory Adjustments	0	1,576	0	(563)	0
		0	1,576	0	0	0
Regional Projects	Sunset of Project Officer position	0	0	0	(124)	0
		0	0	0	(124)	0
Total Asset Management		**0**	**4,129**	**0**	**7,103**	**0**
TOTAL PROPOSED ADJUSTMENTS		**0**	**4,282**	**0**	**7,003**	**0**

Major Revenue Changes: 2012-13 Main Estimates to 2013-14 Business Plan

Revenue Item	(thousands of dollars) 2012-13 Main Estimates	2013-14 Business Plans
No changes to Revenue are planned.	1,804	1,804

Proposed Adjustments to Grants and Contributions: 2012-13 Main Estimates to 2012-14 Business Plan

Key Activity	Explanation of Proposed Adjustment	2012-13 Main Estimates	Forced Growth	New Initiatives	Sunsets and Other Approved Adjustments	Internal Re-allocation	2013-14 Business Plan
The Department has no Grants or Contributions to report.							
TOTAL PROPOSED ADJUSTMENTS		**0**	**0**	**0**	**0**	**0**	**0**

Appendix II – Human Resources Reconciliation

Position Changes: 2012-13 Main Estimates to 2013-14 Business Plan

	Number of Positions	Location	Total
2012-2013 Main Estimates	276	All	276
Reductions:			
Senior Finance Clerk	(1)	Inuvik	(1)
Security Manager (TSC)	(1)	HQ	(1)
Security Analyst (TSC)	(1)	HQ	(1)
Senior Project Officer	(1)	Inuvik	(1)
Forced Growth:			
Property Administrator	1	Hay River	1
Internal Reallocation:			
N/A	-	-	-
New Positions:			
Records Analyst (Devolution)*	1	HQ	1
Records Analyst (Devolution)*	1	HQ	1
Total Proposed Positions 2013-14 Business Plan			275
Increase (Decrease)			(1)

*Funding for devolution positions is reported in Department of Executive's Business Plan

Appendix III – Infrastructure Investments

Tank Farm - Capacity Increase/Code Upgrade - Tulita

The Tulita Bulk Fuel Storage facility is past its serviceable life. The forecasted storage capacity for gasoline and diesel fuel will be insufficient to meet demand by 2017 so tank capacity and code upgrades are required to meet the future needs of the community. The design and construction of this project commenced in 2012-13 with completion scheduled for the summer of 2015. Community fuel dispensing capabilities will remain open for the duration of this project.

General Purpose Office Building (Yellowknife)

PWS was approved for the construction of a GNWT-owned building in Yellowknife containing approximately 6,000 m2 of general purpose office space. The long term savings to the GNWT over the 40 year life of a new building are estimated to be $100 million and approximately $145 million if the residual value of the building is included. The design and construction of this project commenced in 2012-13 while the base building construction is scheduled to be completed in 2014-15 with occupancy anticipated for 2015-16.

Deferred Maintenance Program

The Department of Public Works and Services' Risk Management and Safety Program established there was over $470 million in deferred maintenance associated with aging GNWT infrastructure that posed potential safety risks to employees and the public.

In coordination with the capital planning process and other program funding, the Deferred Maintenance program has addressed $145 million in deferred maintenance issues

For 2013-14, the Deferred Maintenance Program will continue to address deferred maintenance issues primarily consisting of structural deficiencies, building code issues related primarily to 'life and safety', end of life of existing building components, roof and exterior envelope failures and issues related to building and fire codes.

The GNWT's building infrastructure continues to age at a rate that exceeds our ability to replace or rehabilitate through the annual Infrastructure Acquisition Plan. Continued investment in addressing issues associated with ageing infrastructure is required to mitigate the potential impact of deferred maintenance on the delivery of GNWT programs and services.

Capital Asset Retrofit Fund (CARF)

In support of the GNWT's Energy Plan and Greenhouse Gas Strategy, PWS continues to undertake numerous energy management initiatives and projects on government-owned buildings and facilities through its Capital Asset Retrofit Fund (CARF) program.

PWS is capturing the ongoing operational savings identified through energy investments at a corporate level and is re-profiling these savings to offset the cost of delivering future energy conservation projects. Realized utility savings of $654,000 from 2010-11 were permanently re-profiled to capital for the CARF program starting in 2012-13. The savings were generated from

energy conservation projects including the installation of biomass heating systems, the conversion to electric heat and a variety of energy upgrades in various buildings.

PWS will continue to track and re-direct ongoing operational savings realized from energy investments to help offset the costs of delivering future energy conservation projects. The longer term objective of this initiative is to make the CARF program self-sustaining.

PPD Operators Shelter – Jean Marie River
An operator's shelter is essential to protect the local Fuel Dispensing & Delivery Contractor personnel from the elements while providing services at the tank farm. It is also required for the secure storage of PPD hardware used to collect and process payments and operational records.

PPD Operators Shelter – Wrigley
An operator's shelter is essential to protect the local Fuel Dispensing & Delivery Contractor personnel from the elements while providing services at the tank farm. It is also required for the secure storage of PPD hardware used to collect and process payments and operational records.

PWS Workshop and Storage Facilities – Aklavik
The PWS workshop and warehouse facilities have reached the end of their useful life and need to be replaced. These facilities are crucial to PWS in the delivery of maintenance services to the government assets in the community by providing a workshop, storage facility and office for the Settlement Maintainer.

PWS is in discussions with the NWT Housing Corporation for a joint-venture agreement for construction of a facility which would complement both departments.

PWS Maintenance Shop and Storage Facilities – Ft Resolution
The PWS workshop in Fort Resolution was built in 1962 and has reached the end of its serviceable life and needs to be replaced. These facilities are crucial to PWS in the delivery of maintenance services to the government assets in the community by providing a workshop, storage facility and office for the Settlement Maintainer.

PWS is in discussions with the NWT Housing Corporation for a joint-venture agreement for construction of a facility which would complement both departments.

TSC - Departmental infrastructure

This project supports the new information technology (IT) infrastructure (server and/or storage and network) for the GNWT data centre(s) and required in support of new approved departmental Information System (IS) projects.

Some of the specific departmental projects that will impact the TSC's IT infrastructure requirements include:

- Electronic Records & Document Management System (DIIMS) - Finance
- Motor Vehicle Information System (MVIS) - Transportation
- Wildlife Management System (WMIS) - Environment and Natural Resources

TSC - Critical Infrastructure Evergreening

This project supports critical infrastructure acquisitions, based upon evergreening requirements (20% of equipment over five year life span) and growth driven by departmental initiatives. These are needed to maintain and enhance the core IT infrastructure.